

Shipping from:  Ukraine  
 Shipping to:  Peru  
 Shipping from port/airport:  Ukraine  
 Shipping to port/airport:  Peru  
 Latest shipping date:  07/07/2008  
 Shipment period:   
 Shipment terms:  CIF - Cost Insurance & Freight  
 Location: Lima, Peru  
 Partial shipments?  NOT ALLOWED  
 Container shipments?  ALLOWED  
 Transhipments?  NOT ALLOWED  
 Insurance covered by:  SELLER

**MERCHANDISE:**

12,500 MT of Urea as per Proforma Invoice no. 008 dated April 28,2008.  
 Purchase Order(s):

**DOCUMENTS :**

1. Signed Commercial Invoice issued by the beneficiary in 1 original plus 3 copies indicating LC number, name of the LC issuing bank, and full details of the goods shipped.
2. Full Set of clean on board Marine Bills of Lading made out to the order of the shipper, endorsed to the order of First American Bank, 1650 Louis Avenue, Elk Grove, IL 60007, USA, marked freight prepaid, indicating notify Continental Petroleum Corporation S.A.C., Fray Angelico 520 Of.203 Lima Peru L34.
3. Shipping Compliance Certificate signed and issued by an authorized officer of Ashford Finance L.L.C., 152 Madison Ave. Suite 1003, New York, NY 10016, USA on their letterhead and countersigned by the Trade Finance Division of First American Bank, 1650 Louis Avenue, Elk Grove, IL 60007, USA.
4. Negotiable Insurance Policy or Certificate for 110 percent of CIF invoice value, endorsed in blank, and covering all risks and war risks.
5. Certificate of Origin issued by the Chamber of Commerce of the country of origin or the Department of Trade or Ministry of Industry in 1 original and 3 copies.
6. Phytosanitary certificate issued by the government authority or agency in the country of origin in 1 original and 3 copies.
7. Certificate of Quality and Quantity (including total weight) issued by SGS at port of loading in 1 original and 3 copies.

Presented within  days. Ok To IssueDelivery in:  ONE MAILINGLOGISTICA  
INTEGRALDelivery by:  COURIERSecond mailing by: 

CIF - 36.957.215

 Ok To Issue**OTHER CONDITIONS:**

1. Drawings under this credit must be for total of 100 percent of the invoice value.
2. All bank charges other than those of First American Bank's Letter of Credit issuance charges are for beneficiary's account and will not be borne by the issuing bank and should be collected from the beneficiary at time service is

*Fredery Gantayagui*  
Continental Petroleum Corp. SAC.

AV. Fray Angelico 520 Of. 203

San Borja

Lima Peru

rendered by the advising/remitting bank.

3. Discrepant documents will be subject to a discrepancy handling fee of USD75.00 which will be for beneficiary's account.

4. Documents to be presented within 21 days after shipment date, but within the validity of the credit.

5. This letter of credit is transferable in whole or part, provided this original credit is presented to Banco Pastor, Spain, for endorsement of transfer, under advice to us and their transfer commission is paid. Transfers to designated foreign nationals and/or specially designated nationals are not permitted as being contrary to U.S. Treasury Department, Foreign Assets Control Regulations. The transferring bank must inform us if the first beneficiary retains their rights to substitute their draft and invoices with those of the second beneficiary.

6. All documents must be issued in the English language.

Applicable Rules: UCP LATEST VERSION

The documentary credit is subject to the version of the ICC Uniform Customs and Practice for Documentary Credits, International Chamber of Commerce, Paris, France, which is in effect on the date of issue.

Please complete the following fields:

Your Initials: <input type="text" value="D"/>	Password: <input type="text" value="D"/>
<input checked="" type="checkbox"/> On Hold	

*Freddy Guzman*  
Continental Petroleum Corp. SAC  
AV. Fray Angelico 520 Of. 203  
San Borja  
Lima Peru

*LA CRISTICA*  
INTEGRAL  
DO PALET S.L.  
C.I.F. 236957215

Continental Petroleum Corp. SAC  
AV. Fray Angelico 520 Of. 203  
San Borja  
Lima Peru

[https://www.firstamloc.com/FAB2-EB/ASHFORD-LIVE\\_TF.NSF/D692ae9fc8f730e88256...](https://www.firstamloc.com/FAB2-EB/ASHFORD-LIVE_TF.NSF/D692ae9fc8f730e88256...) 5/9/2008

# Wire Transfer Services

## Outgoing Wire Transfer Request

Case 1:11-cv-07801-PAE Document 1-2 Filed 11/01/11 Page 3 of 20

FARGO

A customer or team member, with the customer present, completes this form when requesting to send a wire. Outgoing wires can only be sent for Wells Fargo customers. Retain the original copy in the bank and provide a copy to the customer ensuring you give the customer the Agreement for Outgoing Wire Transfer Request (page 2 when form is accessed on-line & preprinted on the back of printed forms). Required information is noted with an asterisk. Note: Wells Fargo Wire Transfer Services will route wires based on correspondent banking relationships. See back (page 2) for explanations of the Mexican CLABE account, the SWIFT BIC, the International Routing Code (IRC) and the International Bank Account Number (IBAN).

\*Today's Date

5/12/08

\*Send Date (if next day submit wire after 4:30 CT. Store must hold if other than today or next day date.)  
5/13/08

### 1. Originator's Information

\*Customer's Name

ANGEL J. GAMBIRAZIO

\*Phone Number

650 333 6313

\*Customer's Address, City, State, Zip Code

4341 CALIFORNIA AVENUE DAY CITY CA 94015

\*U.S. Dollar Wire Amount

1102175

\*Transfer from Wells Fargo Bank 10 digit Account No. (Must be checking, savings, market rate or wholesale checking account)

1987149085

International Wire only: When sending in foreign currency, please ensure the beneficiary's account accepts the designated currency.

Foreign Currency Type/Name (Fx will be used unless specified otherwise)

\*Currency Code (if known)

\*Foreign Currency Amount

### 2. Beneficiary/Recipient Information (This is the ultimate recipient of the wire transfer funds.)

\*Beneficiary/Recipient Name

LC.COM, LTD. #A19

\*Beneficiary Account Number, Mexican CLABE # or the International Bank Account Number (IBAN) where applicable:

610859048

Beneficiary Address, City, State, Zip Code

201 W 72ND STREET, SUITE 64, NEW YORK NY 10023

Beneficiary Phone Number

Information for the Beneficiary (Invoice number, Purchase order number, etc.)

### 3. Beneficiary Bank Information (This is the financial institution where the beneficiary maintains their account.)

\*Beneficiary Bank RTN or SWIFT Bank Identifier Code (SWIFT BIC)

021001088

\*International Routing Code (IRC)

\*Beneficiary Bank Name

HSBC - NEW YORK NY.

Beneficiary Bank Address, City, State, Zip Code & Country (optional information)

Information for Beneficiary Bank (wires to Mexican banks require the CLABE account number in the Beneficiary instructions to ensure correct payment.)

4. Intermediary Bank Information (This is a financial institution that the wire must pass through before reaching the final beneficiary bank.) This section is optional and not required for all wires.  
Please note that routing may be altered depending on Wells Fargo Bank's correspondent relationships.

Optional: \*Intermediary Beneficiary Bank RTN or SWIFT BIC

International Routing Code (IRC)

\*Intermediary Bank Name

\*Intermediary Bank Account No.

Intermediary Bank Address, City, State, Zip, Country (optional information)

OK  
OK  
OK  
OK

Information for Intermediary Bank

### 5. Wire Fee & Customer Signature (Additional fees from intermediary and beneficiary banks may be charged to international transactions - see Fees Section on page 2 of this form.)

Wire Fee Amount (the Transfer From account will be charged the fee.) The region that houses the account being debited determines the fee amount. Use the fee information available through Teamworks and/or the Banker's Guide. Do not use SVT/SVP for fee when account is not in your region. Additional fees may apply (see page 2 of this form).

\*AU where the  
Originator's  
account is located

My signature here indicates agreement to all of the information on this Outgoing Wire Transfer Request and to the terms and conditions on the second page of this request. Wells Fargo Bank is authorized to rely on the information on this Request in making the requested funds transfer.

\*Fee Amount  
\$ 30 -  
Date  
15-12-08

\*X

Angel J. Gambirazio

6. Bank Use Only - Bank Approval - Following MUST be completed for ALL outgoing wires.

International Wire Foreign Currency Information

Contract No. (required when \$15,000 or more U.S.)

FX Trader Contact

Rate

\*Wire Transaction/FAS Number

WF00004-133-1042576

\*Name on ID used by customer

Angel JAVIER GAMBIRAZIO

\*1st ID type, number, issued by State/Country & Expiration Date

CA DL NO186113 EXP 05/12

\*2nd ID type, issued by State/Country & Expiration Date

DV

Initiated by and AU#

X M. J. Gambirazio 0014

First Approval

Second Approval, if applicable

IX

7. Wires in Progress (WIP)

CPC 0023

From: Continental Petroleum Corp. SAC  
AV. Fray Angelico 520 Of. 203  
San Borja  
Lima, Peru  
("The Applicant")

TO: LCCOM, Ltd.  
201 W 72<sup>nd</sup> Street, Suite 6M  
New York, NY 10023  
("The Company")

#### AGREEMENT AND INDEMNITY

In consideration of your having agreed to open a letter of credit for the amount of: USD 2,537,500.00 (Two Million Five Hundred Thirty-seven Thousand Five Hundred United Stated Dollars and Zero One-hundredths) in our beneficiary's name: Loxistica Integral Do Palet SL, PI Margal Bapo 96 Vigo Pontevedra, Spain at our request, we hereby confirm that we have conducted our full due diligence on the beneficiary and the said transaction represents a routine commercial business transaction. We agree to indemnify you against all expenses, losses, claims and damages arising on account of said letter of credit which you may incur and we further undertake to make good all the losses, claims and damages that may arise on account of the said transaction including, but not limited to, all out-of-pocket expenses and reasonable attorneys fees which you may incur. We understand that you are not acting as our agent and that you are an independent contractor.

We also agree that neither we nor the beneficiary nor any of our representatives, agents or attorneys shall contact you or your bank or make any claim against the letter of credit or dispute any of the conditions of the letter of credit application duly approved by us.

We further irrevocably waive any refund from the letter of credit opening, any bank charges and commissions paid to you for this transaction once the letter of credit has been opened. We waive any claim for any lawsuit or claim in arbitration with regard to this letter of credit.

The undersigned is fully aware that the letter of credit issuing bank bears no responsibility for the terms of the letter of credit and shall not be made a party defendant in any dispute of any kind for refund of commissions or charges should the advising/negotiating bank refuse to grant credit. The undersigned also agrees that it shall be required to sign an indemnity agreement for the letter of credit issuing bank.

We acknowledge that there will be a "special condition" clause included in an additional document required in the letter of credit established by the company on our behalf. We understand that the required document will be noticed in the "document required" section, or other appropriate section of the letter of credit to be issued. This required document has been fully explained to us and is understood by us and we have read it in its entirety. We will not request that the letter of credit be changed in any way. We have acknowledged by signing a copy a "draft" of the letter of credit prior to the actual issuance of the letter of credit that the

applicant of the letter of credit have fully informed us about the condition clause and we agree that this clause is an integral part of the letter of credit.

We further agree that we will not request from you or the letter of credit issuing bank any amendments to the letter of credit. However, in the event due to unforeseen circumstances, any amendment is sought in the letter of credit, a 100% margin will be provided. Unless we provide you with 100% of the LC value as margin towards due performance of our obligations and settlement of the documents to be received under the above letter of credit and we will keep you fully indemnified from all consequences arising out of the incorporation of the said clause in the letter of credit. For each presentation of a document, a minimum USD 1,000.00 plus bank charges will be paid to you by us by not later than three (3) business days from the date of the document presentation.

This Indemnity Agreement shall be irrevocable during the entire period that the letter of credit is in existence from the date of issuance to the date of expiration.

Date: 5/15/2008 .....

Applicants name: CONTINENTAL PETROLEUM CORP. SAC.

By Freddy Gambirazio  
Officer

Full Name: Freddy Gambirazio Arias,

Continental Petroleum Corp. SAC.

AV. Fray Angelico 520 Of. 203

Title of the Signatory: President

San Borja

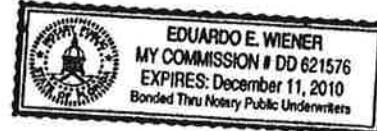
(Company stamp/seal)

Lima Peru

Notarized as follows:

On this 15<sup>th</sup> day of May, 2008, before me, the undersigned, personally appeared, FREDDY GAMBIRAZIO ARIAS, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity(ies), and that by his/her/their signature(s) on the instrument, the individual(s) or the person upon behalf of which the individual(s) acted, executed the instrument.

  
\_\_\_\_\_  
Notary Public





Spain, 19 May 2008

**CORPORATE FUNDING PARTNERS.**

**Mr. Joseph Lau.**

Chief Processing Officer.

According to the request for you to information listed below:

**CONTACT**

COMPANY	<b>LOXISTICA INTEGRAL DO PALET S.L.</b>	
CONTACT	CARLOS ALBERTO PAZOS LEIROS	
TEL. OFFICE	0034 986 247 602	
FAX OFFICE	0034 986 897 880	
MOVILPHONE	0034 619 30 18 78	
E.MAIL	<a href="mailto:galipack@telefonica.es">galipack@telefonica.es</a>	

**EXECUTIVES**

PRESIDENT	JESUS BARRALS.	INVESTMENTS
LEGAL REP.	JUAN CARLOS CARRACEDO.	ECONOMIST
ADMINISTRATOR	CARLOS PAZOS LEIROS	BUSSINES ADMIT.

**BANKING COORDINATES**

ACCOUNT NAME	<b>LOXISTICA INTEGRAL DO PALET S.L.</b>	
BANK NAME	BANCO PASTOR	
ADDRESS BANK	SUC . 0422	
CITY	VIGO - PONTEVEDRA	
COUNTRY	SPAIN	
SWIFT	PSTRESMM	
ACCOUNT NUMBER	ES81 0072 0422 9800 0010 3027	
TELEPHONE	0034 986 21 31 97	
FAX	0034 986 21 46 53	
BANK OFFICER	CASIMIRO CONLES	
E.MAIL	<a href="mailto:oficina0422@bancopastor.es">oficina0422@bancopastor.es</a>	

PI y MARGAL, 96 BAJO – VIGO – PONTEVEDRA – SPAIN  
 TEL +34 986 247 602 – email: [galipack@telefonica.net](mailto:galipack@telefonica.net)

**UREA BUSINESS IN THE COMPANY**

LOXISTICA INTEGRAL DO PALET S.L. STARTED AS SELLER MANDATE OF THE UKRAINIAN UREA FACTORIES IN 2006, PLACING THE FERTILIZED PRODUCT IN MANY COUNTRIES AROUND THE WORLD, MOSTLY FOCUS IN SPAIN AND LATIN AMERICAN.

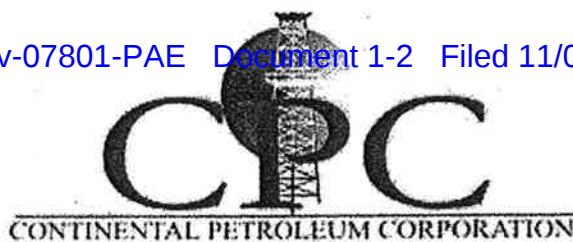
**BRIEF CORPORATE PROFILE OF THE BENEFICIARY**

COMPANY / COMPAÑIA	LOXISTICA INTEGRAL DO PALET S.L.
CIF	B 36957215
LEGAL FORM	LIMITED COMPANY
DATE CONSTITUTION	13 JUN 2005.-
ADDRESS	PI y MARGAL, 96 - BAJO
CITY / COUNTRY	VIGO / PONTEVEDRA / SPAIN
SOCIAL OBJETIVES	1.- MANUFACTURING AND MARKETING OF WOOD PALLETS FOR EXPORTS AND OTHER OBJECTS IN WOOD FOR CONSTRUCTION 2.- MARKETING AND SALES OF UREA. 3.- MARKETING AND SALE OF SUGAR. 4.- MARKETING AND SALE OF CEMENT PORTLAND.
VALIDITY OF SOCIETY	INDEFINITELY.
LEGAL REPRESENTATIVE	JESUS BARRALS. / President.
PASSPORT	35279119 V
COMPANY'S ATTORNEY	CARLOS DIEZ ORBEJON.
COMPANY HISTORY	THE COMPANY LOXISTICA DO PALLET S.L. BEGAN IN 2005, MANUFACTURING WOOD PALLETS AND OTHER OBJECTS IN WOOD FOR CONSTRUCTION FOR THE SPANISH LOCAL MARKET AND FOR FOREIGN MARKETS.  HAVING IN THE COMPANY EXECUTIVES WITH VERY LONG TRAJECTORY IN BUSINESS THROUGH ALL EUROPE, UREA BUSINESS BECAME A HIGHLY INTEREST FOR THE BOARD BY THAT TIME, AND CAME OUT AS A RESULT BEING NAMED "SELLER MANDATE" FOR SEVERAL UKRAINIAN UREA REFINERIES.  TODAY IN THE WORLD WITH HIGH DEMAND FOR COMMODITIES, UREA BUSINESS FOR THE AGRICULTURE BECOMES A VERY IMPORTANT ISSUE FOR THE COMPANY'S INTERNATIONAL DEVELOPMENT.



**LOXISTICA INTEGRAL DO PALET S.L.**  
Legal representative.

PI y MARGAL, 96 BAJO – VIGO – PONTEVEDRA – SPAIN  
TEL +34 986 247 602 – email: [galipack@telefonica.net](mailto:galipack@telefonica.net)



June, 3 2008

To: Corporate Funding Partners  
New York

Att.: Mr. Pablo Antoniazzi

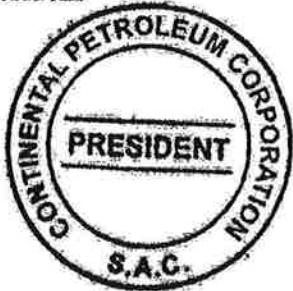
Dear, Mr. Antoniazzi

This Letter is to confirm, that the Letter of Credit for \$2'537,500, issued by First American Bank in favor to Logistical Integral Do Pallet is in Banco Español from Spain, this Bank received the Letter last Friday (30/5/2008).

Thanks,

*Freddy Gambirazzo Arias*  
Freddy Gambirazzo Arias

President



Av. Fray Angélico 520-B of. 203  
San Borja, Lima-Perú  
Telf.: 224 2554 Cel.: 9967 1353  
[www.continentalpetroleumcorp.com](http://www.continentalpetroleumcorp.com)

**LOGISTICA INTEGRAL DO PALET, S.L.**  
PI Y MARGALL, 96 BAJO-VIGO-PONTEVEDRA-SPAIN  
CIF B36.957.215  
TEL: 00 34 986 247 602 FAX: 00 34 986 247 766

**BANCO PASTOR**  
BRANCH 0422  
ATT. MR. CONLES

**DEAR GENTLEMEN:**

We hereby inform you that the letter of credit issued by First American Bank on behalf of Loxistica Integral Do Palet SL for the amount of 2,537,500 USD and with Banco Popular SA as advising bank, is not accepted by our company due to the lack of confirmation for said letter of credit.

We request its return to the issuing bank since the financial document was not received as it appears documented in the contract signed between us and Continental Petroleum Corporation.

With nothing else, we bid farewell sending warm regards.

Loxistica  
Integral  
Do Palet, S.L.  
C.I.F. B36.957.215  
FDO. Jesus Jaime Barral Rodriguez  
Legal Representative

Banco Pastor  
Ag. Urb. No. 2 [illegible]  
[illegible]  
Entry



# LOGISTICA INTEGRAL DO PALET SL

PI Y MARGALL, 96 BAJO-VIGO-PONTEVEDRA-SPAIN

CIF B36.957.215

TLF 00 34 986 247 602 FAX 00 34 986 247 766

**BANCO PASTOR  
SUCURSAL 0422  
ATT. SR. CONLES**

**MUY SRS NUESTROS:**

**LES COMUNICAMOS QUE LA CARTA DE CREDITO  
EMITIDA POR EL FIRST AMERICAN BANK, A FAVOR  
DE LOGISTICA INTEGRAL DO PALET SL, POR UN  
IMPORTE DE 2.537.500.- USD Y CON EL BANCO  
POPULAR SA, COMO BANCO AVISADOR, NO ES  
ACEPTADA POR NUESTRA EMPRESA DEBIDO A LA  
FALTA DE CONFIRMACION DE DICHA CARTA DE  
CREDITO.**

**SOLICITAMOS SU DEVOLUCION AL BANCO EMISOR  
AL NO RECIBIR EL DOCUMENTO FINANCIERO TAL  
COMO APARECE DOCUMENTADO EN EL CONTRATO  
FIRMADO ENTRE NOSOTROS Y LA EMPRESA  
CONTINENTAL PETROLEUM CORPORATION.**

**SIN OTRO PARTICULAR, NOS DESPEDIMOS  
SALUDANDOLES MUY ATENTAMENTE.**



**FDO. JESUS JAIME BARRAL RODRIGUEZ  
APODERADO  
VIGO, 05/06/2008**



**SALES & PURCHASE AGREEMENT**

AGRICULTURAL PRILLED UREA

1N46%

This Agreement has been made and entered into on this 27<sup>th</sup> day of June 2008 by & between:

**TRIFECTA TRADING 165 (PTY) LTD**  
**UNIT D8, THE BEACHHEAD OFFICE PARK, 10 NIBLICK WAY**  
**SOMERSET WEST, WESTERN CAPE**  
**SOUTH AFRICA**

REPRESENTED BY:

**MR FRANS BADENHORST (DIRECTOR)**

(HEREINAFTER REFERRED TO AS THE SELLER)

AND

**CONTINENTAL PETROLEUM CORPORATION**

**AVENIDA FRAY ANGELICO NUMERO 250, OFICINA NUMERO 203**

**LIMA, PERU**

REPRESENTED BY:

**MR. FREDDY GAMBIRAZIO**

(HEREINAFTER REFERRED TO AS THE BUYER)

---

**WHEREAS:**

The Seller and Buyer, each with full corporate authority, certify, represent and warrant that each can fulfill the requirements of this agreement and respectively provide the products and the funds referred to herein, in time and under the terms agreed to hereafter; and

**WHEREAS:**

The Seller hereby agrees and makes an irrevocable firm contract to sell and deliver AGRICULTURAL PRILLED UREA N46% TO GOST 2081-92B Cost, Insurance and Freight (CIF) Incoterms 2000

**WHEREAS:**

The Buyer hereby agrees and makes an irrevocable firm contract to purchase AGRICULTURAL PRILLED UREA N46% TO GOST 2081-92B Cost, Insurance and Freight (CIF) Incoterms 2000

**WHEREAS:**

The Seller and the Buyer both agree to finalize and execute this contract under the terms and conditions hereinafter set forth:

Initials Seller

Page 1 of 9

Initials Buyer

## SALES &amp; PURCHASE AGREEMENT

AGRICULTURAL PRILLED UREA

N46%

## NOW THEREFORE:

In consideration of the mutual promises, agreements, terms & conditions of this agreement, assertions and covenants herein and other good and valuable considerations, the receipt of which is acknowledged hereby, the parties hereto mutually and voluntarily agree as follows:

## TERMS AND CONDITIONS:

1. PRODUCT:

AGRICULTURAL PRILLED UREA N46% TO GOST 2081-92B (hereinafter referred to as "The Product") shall conform to the following specifications with the following main characteristics:

1. 46% N, GOST 2081-92
2. UREE 46% N, GOST 2081-92
3. NITROGEN 46%
4. BIURET BY WEIGHT MAX 1%
5. MOISTURE 0.4% MAX BY METHOD OF DRYING
6. FREE AMMONIA 160 PXT PPM MAX
7. GRANULATION 1-4MM 90% MN
8. COLOUR STANDARD PURE WHITE PRILLED
9. PRII 95%
10. FREE FLOWING 100% ANTI-CAKING TREATMENT
11. MELTING POINT 132 DEGREES CELCIUS
12. PHYSICAL FREE FROM HARMFUL SUBSTANCE, IMPURITIES & DUST
13. RADIATION CERTIFIED NON RADIATION

2. ORIGIN:

- a. Ukraine, Russia, Romania, Italy. Seller's Choice with a complete buyer's approval.

3. DESTINATION / PRODUCT DISCHARGE:

The destination shall be: CIF port Lima, Peru

- a. The minimum discharge rate of 1,500 (One thousand, five hundred) metric tons per Weather Working Day (WWD)
- b. subject to discharge port off-loading capabilities.

4. PRODUCT DELIVERY:

The date (s) of bill of lading shall be considered the date (s) of delivery. The first delivery shall begin no later than, thirty (30) to fifty days after receipt and confirmation of operative financial instruments, acceptable to the Seller.

Regardless of the shipping date indicated on the Financial Instrument, the Seller shall have the right to deliver earlier than agreed herein, but shall give sufficient notice to all designated parties and more particularly, the Buyer.



Initials Seller

Page 2 of 9

Initials Buyer

**SALES & PURCHASE AGREEMENT****AGRICULTURAL PRILLED UREA**

TN40%

The product shall be shipped to the destination port(s) of discharge in accordance with the relevant provisions of this contract and in minimum shipments of 12 500 (Twelve Thousand and Five Hundreds) metric tons (+/- 5 %) one per shipment to cover the total deliveries stated in the shipment schedule.

Total shipments shall be according to a shipping schedule (To be agreed and attached as Addendum "A" to this contract). The Buyer however accepts that shipping dates may vary slightly due to slight and reasonable variations in schedules as a result of the customary and usual exigencies. Consecutive shipments shall be shipped and delivered in accordance with the Buyer's receiving schedule, as sent to and approved by the seller, following execution hereof, with all shipments conforming to Incoterms 2000.

Partial shipments- allowed  
Trans-shipment - not allowed

**5. PRODUCT WEIGHT AND QUALITY:**

The Seller guarantees that each shipment of The Product shall be provided with an inspection certificate of weight and quality at time of loading and such certificate shall be provided by Société Générale de Surveillance (Hereinafter referred to as "SGS") or similar recognized authority approved in writing by the Buyer at the Seller's expense, and shall be deemed final. The Seller shall instruct said authority to carry out the inspection in strict accordance with the International Chamber of Commerce (I.C.C.) Rules & Regulations.

The Buyer shall, if desired, and at his own expense have the right to arrange an additional inspection at Port of Loading to confirm loading. If discrepancies should at any time and in any particular case, result in relation to the inspection certificate (s) issued at the Port of Loading and Destination, it is hereby agreed that arbitration shall be employed to determine the appropriate judgment. Both parties agree to be bound by the arbitrator's decision for or against either Buyer or Seller. The parties shall apply rules of Arbitration applicable to the laws of South Africa at Buyer's election.

**6. QUANTITY:**

**12 500 MT (Twelve Thousand Five Hundred) Metric Tons (+/- 5 %) to be delivered.**

The precise programmed shipping schedule to be furnished by the Buyer in Appendix A attached and agreed by the Seller.

**7. PACKING:**

The product is to be packed in net 50 Kg. (Fifty kilograms) new Polypropylene bags with polyethylene lining. The bags have a combined tare of 140 grams and are sufficient to ensure the safe arrival of product to destination.

**8. PRICE PER METRIC TON:**

Price per Metric Ton of The Product shall be US\$ 325.00 (Three Hundred and Twenty Five United States Dollars) per metric ton, Cost, Insurance and Freight (CIF)

**9. CONTRACT VALUE:**

Initials Seller

Page 3 of 9

Initials Buyer

N40%

The quantity of product sold in this contract has been given the value of US\$ 4,062,500.00 (Four Million and Sixty Two Thousand Five Hundred United States Dollars), being 12 500 metric tons (+/- 5%).

**10. PAYMENT TERMS:**

Payment shall be made by: Documentary Letter of Credit, Irrevocable, Transferable, Divisible, Assignable, Unencumbered Bank Guarantee payable 100% at sight upon presentation of relevant SGS Inspection and clean shipping documents

The Documentary Letter of Credit documents shall be negotiable and payable at the Buyer's Bank.

All bank charges accrued at Buyer's bank regarding the opening of the letter of credit shall be for the Buyer's account.

**11. PROOF OF PRODUCT:**

Proof of Product shall be provided by the Seller after receipt of Buyer's payment instrument.

**12. PRODUCT DOCUMENTATION PER LIFT:**

Product documentation required for payment under the Buyer's Letters of Credit/ Payment Instrument may include the following, but to be agreed between Buyer and Seller before final operative instruments are submitted by the Buyer's Bank to the Seller's Bank:

- A. Three (3) original and three (3) copies of signed commercial invoices;
- B. Three (3) original and three (3) copies of full set of clean on board Ocean Bill of Lading (B/L) marked "freight pre-paid" or "payable per charter party" issued to the order of buyer;
- C. Three (3) original and three (3) copies of Certificate of quality quantity and weight inspection issued by SGS only;
- D. Three (3) original and three (3) copies of Certificate of Origin, issued by the Chamber of Commerce and Industry of the country of origin;
- E. One (1) original and three (3) copies of shipping company statement confirming that the age of the vessel does not exceed twenty (20) years and the vessel is registered under Lloyds registry;
- F. Three (3) original and three (3) copies of Specification certificate issued by the appropriate government authority in country of origin;
- G. Three (3) original and three (3) copies of packing list showing:
  - i) gross / net weight;
  - ii) ii) the number of ocean bill of lading;

**13. SHIPPING AND DEMURRAGE CONDITIONS**

- A. All charges at the loading port for Seller's account.
- B. All supervision charges at the port of unloading shall be for the Buyer's account.
- C. Seller shall provide written alert to Buyer within 24 (twenty- four) hours after receipt of notice that vessel transporting commodity has experienced damage, peril, loss, breakdown or accident.
- D. The Buyer shall be responsible for the import permit.
- E. All import expenses including but not limited to; import taxes, consular fees, customs, import clearance, any necessary documentation imposed by the country of destination, discharging and any

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## SALES &amp; PURCHASE AGREEMENT

## AGRICULTURAL PRILLED UREA

N40%

related expenses at discharge port are for the account of the Buyer and are the sole responsibility of the Buyer.

F. Demurrage shall be calculated on the basis of actual Vessel Master's certified, recorded time sheet & statement of facts.

G. The discharge rate shall be 1,500 metric tons per weather working day of twenty-four (24) consecutive hours.

H. The times preceding to 0800 hours on the day succeeding any holidays are excluded, even if used, whether in berth or not, (WIBON), whether in port or not (WIPON), whether in free practice or not (WIFPON), whether customs cleared or not, (WICCON).

I. Vessel hatch opening and closing shall be performed under crew responsibility, control and account.

J. Time to count from 1300 same working day if notice of readiness tendered/accepted before noon, and from 0800 hours next working day if notice of readiness tendered/accepted after 1200 hours during a working day.

K. Within seventy two (72) hours after vessel's departure from the port of loading, the Seller's shipping agent shall advise the Buyer by way of telex/fax/email indicating: the vessel's sailing date; the name of the nominated vessel and steamship company; name of ship's captain; tonnage; ocean bill of lading number; contract number; the flags of the vessel; net quantity loaded; number of hatches; and steamed time of arrival (hereinafter known as "ETA") at the discharge port.

L. The ship's captain or master of the vessel shall give the Buyer notice of estimated time of arrival by telex/fax/email at 72/48/24 hours prior to ETA at each port of discharge. It is agreed that the demurrage or premium for speed of dispatch be settled by the buyer and the within three (3) international banking days from receipt of the vessel's master invoice. Vessel Master shall issue master's invoice within six (6) standard business hours.

M. Lighterage/lightering: due to insufficient draft shall all be for the Seller's account since it is agreed that minimum draft is established in clause T. Hereunder. All lighterage operations shall be conducted under the Vessel Master's approval and supervision.

N. If Buyer fails to pay demurrage charges for any shipment under this contract, Seller shall without incurring default under this contract, have the right to delay or terminate further shipment(s) until any past due demurrage is paid by unconditional swift wire.

O. Geared vessels are mandatory. The Buyer will not accept gearless vessels.

P. Should the vessel be required to shift from one berth to another at port of discharge, the expense in shifting shall be for the Buyer's account if same is ordered by authorities due to cargo related matters.

Q. If same is ordered due to vessel related matters, same will be for owner's account. In any event, actual time utilized in moving from the anchorage/ waiting area to berth when available due to tide, pilot availability, port authority restrictions, and/or other reasons beyond owner's control, time will count as lay time until vessel is underway to berth.

R. It is understood by sellers that vessel load shall not exceed 159 meters as per discharge port restriction.

S. Vessel may not be older than 20 years.

T. Vessel draft may not exceed 9.6 meters unless so requested and agreed between buyer and seller.

U. Vessel to have four hatches and discharge operational ability to discharge all four hatches simultaneously.

V. All necessary import/custom formalities and arrangements for taking delivery of cargo prior to vessel's arrival are the responsibility of the Buyer. In the event of incomplete import formalities, or no storage facilities, or no transport arrangements, or in the event customs or port authorities do not allow discharge to commerce or halt discharge due to Buyer's or their cargo receivers failure to arrange or complete the formalities, the Buyer to pay the demurrage and any other associated costs, including but not limited to shifting costs incurred to the seller's/vessel's/owner's before discharge can commence or can recommence.

W. Trans-shipment is not allowed.

X. Partial shipment is allowed.

Y. All delivery vessels used by the seller shall and will be an "ICE CLASS VESSELS" for the term of winter time between months on October to June.



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**SALES & PURCHASE AGREEMENT****AGRICULTURAL PRILLED UREA**

N40% Z. Buyer shall on its own account, place any necessary icebreakers at Vessel's disposal.

**14. FORCE MAJEURE:**

Neither party to this contract shall be held responsible for breach of contract caused by an Act of God, Insurrection, Civil War, War, Military operation or local emergency. The parties do hereby accept the international provision of "Force Majeure" as published by the International Chamber of Commerce, Geneva, Switzerland, and as defined by I.C.C. Rules Uniform Customs and Practice.

**15. DISPUTES AND ARBITRATION:**

If any dispute arises, the two parties agree to try their utmost to solve it by friendly negotiation. If the dispute proves impossible to settle, all disputes arising out of or in connection with the present contract shall be finally settled under the Rules Of Arbitration Of The International Chamber Of Commerce + the disputed matter will be subject to Arbitration by an Arbitrator in Paris, France under ICC Rules And Regulations. The losing party will pay the Arbitration fee. It is understood that in the event of dispute or arbitration, English shall prevail. The award of the Arbitrator shall be final and binding for both parties.

**16. AUTHORITY TO EXECUTE THIS CONTRACT:**

The parties to this contract declare that they have full authority to execute this document and accordingly to be fully bound by the terms and conditions.

**17. EXECUTION OF THIS CONTRACT:**

This contract may be executed simultaneously in two or more counterparts via telex or facsimile transmission, each of which shall be deemed as originals and legally binding.

**18. GOVERNING LAW:**

This contract shall be governed, and interpreted in accordance with the United Nation Convention for the Sale of Goods (U.N. Convention). In event of inconsistency between this contract and the provisions of the U.N. Convention, this contract shall have priority. For the purpose of Article 39, of the U.N. Convention, a reasonable period of time shall be deemed to be 5 days.

**19. LANGUAGE USED:**

The English language shall be used in all documentation and communication relating to this contract, including legal proceedings

**20. ASSIGNMENT:**

This agreement is not assignable or transferable by either party, without prior written permission of the buyer and any approved assignment shall be subject to such transfer being strictly required for the general performance of this contract.



**21. NON-CIRCUMVENTION AND NON-DISCLOSURE:**

The parties accept and agree to the provisions of the International Chamber of Commerce, Geneva, Switzerland for non-circumvention and non-disclosure with regards to all and everyone of the parties involved in this transaction and contract, additions, renewals, and third party assignments, with full reciprocation for a period of (3) three years from the date of execution of this contract.

**22. PROCEDURES THAT ARE TO BE FOLLOWED IN TIMELY MANNER:**

1. Buyer sends a Letter of Intent
2. Sellers sends a draft contract
3. Sellers sends the proforma Invoice
4. Buyer signs and seals the contract
5. Sellers signs and seal the contract
6. Sellers send 2 hard copies to the buyer
7. Buyer issues the Documentary Letter of Credit (as per attached verbiage)

**23. CONTRACT TERM**

This contract shall come into force and effect on the date of signature by the Buyer and shall be in effect for the length of period that would expressly be required to deliver the total quantity of 12,500 Metric Tons per month for 12 months to the Buyer's discharge port, which shall include 5 (five) days for signature of contract and issuance of the financial instrument (one DLC per month), 30 (thirty) – 50 days allowance for shipping logistics and 5 (five) days for final payment settlement by negotiation of documents under the Letter of Credit

**24 BREACH OF CONTRACT AND TERMINATION**

In the event of a breach of any term of this contract the defaulting party shall be given a reasonable period in which to rectify the said breach. If the defaulting party fails to rectify the breach, the aggrieved party shall be entitled to cancel the contract and claim damages for losses and/or expenses suffered. Consequential losses shall be specifically excluded from this contract.

**25 OTHER MISCELLANEOUS TERMS AND CONDITIONS**

The Buyer confirms that their funds are good clean, cleared, unencumbered, legitimately earned funds from legal sources.

Both parties agree to promptly provide all reasonable due diligence and/or "Know Your Client" information requested by the other party and/or their bankers and/or applicable regulatory authorities.

Both parties agree that time is of the essence in relation to this contract and shall promptly and efficiently attend to their respective undertakings and responsibilities.

Both signatories hereto acknowledge that they have read this agreement, they have fully understood the terms and conditions contained herein, and by attaching their initial and signature hereto have unconditionally agreed to be bound hereto as of the date noted herein.

Once executed, any changes hereto must be mutually agreed and confirmed by the parties in writing.

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Initials Buyer

## SALES &amp; PURCHASE AGREEMENT

AGRICULTURAL PRILLED UREA

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Start and End date will be determined by Date of Signature of the contract by both parties.

This agreement may be signed in one or more counterparts and the parties agree that facsimile/email copies of this agreement to be considered as a legal original and signatures thereon shall be legal and binding agreement.

<u>BANKING COORDINATES: BUYER</u>		<u>BANKING COORDINATES: SELLER</u>	
Bank Name	:	Bank Name	: ABSA – South Africa
Address	:	Bank Address	: 116 Main Road, Somerset West
Account Name	:	Bank Officer	: Hannes Brandt
Account No	:	Bank Phone	: +27 (0)21 850 7100
SWIFT Code	:	Bank Fax	: +27 (0)21
Phone No	:	Swift Code	: ABSAZAJJ
Fax No	:	Account Name	: Trifecta Trading 165 (Pty) Ltd
Officer Name	:	Account Number	: 4068824313

The Contractual Parties herein have read and understand the Terms & Conditions contained herein while reserved the rights to legal representation and waving such rights, the parties have executed this agreement on this 27<sup>th</sup> day of June 2008

For and on Behalf of Seller: TRIFECTA TRADING 165 (PTY) LTD




DATED: 27<sup>th</sup> day of June 2008

For and Behalf of Buyer:

Dated: \_\_\_\_\_ day of \_\_\_\_\_ 2008

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**APPENDIX A**

**DELIVERY SCHEDULE:**

**12,500 (+/- 5%) Metric Tons X 1 Shipment**

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**CORPORATE FUNDING PARTNERS**

global trade finance • letter of credit facilities

Date: July 8, 2008

Invoice # 07080081

Client Name : Freddy Gambirazio  
 Company : Continental Petroleum Corporation S.A.C.  
 Address : Fray Angelico 520 Of. 203  
               L34 Lima, Peru  
 Telephone : 511-593-50-95  
 Fax : N/A  
 Email : lvargaspa2004@yahoo.com  
 Agent : Pablo Antoniazzi  
 Agent email : pantoniazzi@aol.com

Total of all Letters of Credit for this worksheet only  
 (Plus 5% variance)

USD 4,062,500.00

<u>Description</u>	<u>Detail</u>	<u>Amount</u>
Type: Irrevocable Transferable Letter of Credit to applicant supplier Includes 5% variance Validity: Up to 90 days <u>Requirements:</u>		USD 4,265,625.00
<ul style="list-style-type: none"> <li>• pro-forma invoice from supplier</li> <li>• purchase order from client to supplier</li> <li>• additional statement of the underlying transaction from your company</li> </ul>		
Letter of Credit Charges		USD 106,640.62*
Standard LC Opening Fee		275.00
Document Negotiation Fee		400.00
Total Letter of Credit Charges		USD 107,315.62
<b>Total due prior to LC opening (100% of total)</b>		<b>USD 107,315.62</b>

**\*ONE TIME RATE**

For each instance of non-negotiation, there will be a charge of \$ 250.00 payable upon receipt of invoice. Upon negotiation there may be a holdback of up to 0.25 percent of the payment to the beneficiary from the LC issuing bank.

If additional fees are required they must be paid upon receipt of invoice. They may include any items that are shown in the letter of credit to be paid by the beneficiary and where the beneficiary refuses to pay.

All letters of credit are governed by the Uniform Customs and Practices for Documentary Credits 1993 ("UCP") Per UCP article no.18c it states:

"Where a Credit stipulates that such charges are for the account of a party other than the instructing party, and charges cannot be collected, the instructing party remains ultimately liable for the payment thereof."

**Please Fax A Copy Of Your Wire Transfer When Paying This Invoice**

Please remit to: LC.COM, Ltd. 201 W 72<sup>nd</sup> Street, Suite 6M, New York, NY 10023

Phone +1.212.724.8333

Fax +1.212.656.1509

Wire transfer instructions: HSBC – New York, NY  
 aba#: 021001088 acct#:610859048 SWIFT:MRMDUS33